



CITY OF ST. LOUIS

**ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT (SLATE)
WORKFORCE INVESTMENT ACT (WIA)**

**EMPLOYMENT CONNECTION
CONTRACT #266-13
CFDA #17.259**

**FISCAL MONITORING REVIEW
JULY 1, 2012 THROUGH MAY 31, 2013**

PROJECT # 2013-SLATE05

DATE ISSUED: SEPTEMBER 20, 2013

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



DARLENE GREEN
Comptroller

Internal Audit Section

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FILE COPY

September 20, 2013

David Kessel, Chief Operating Officer
Employment Connection
2838 Market Street
St. Louis, MO 63103

RE: Workforce Investment Act (WIA) (Project #2013-SLATE05)

Dear Mr. Kessel:

Enclosed is a report of the fiscal monitoring review of Employment Connection, a not-for-profit organization, WIA program, for the period July 1, 2012 through May 31, 2013. The scope of a fiscal monitoring review is less than an audit, and as such, we do not express an opinion on the financial operations of Employment Connection. Fieldwork was completed on August 28, 2013.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and through an agreement with the St. Louis Agency on Training and Employment (SLATE) to provide fiscal monitoring to all grant sub-recipients.

If you have any questions, please contact the Internal Audit Section at (314) 657-3490.

Sincerely,

Dr. Kenneth M. Stone, CGMA, CPA
Internal Audit Executive

Enclosure

cc: Michael K. Holmes, Executive Director, SLATE
Kim Neske, Fiscal Manager, SLATE

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TABLE OF CONTENTS

Description	Page(s)
INTRODUCTION	
Background	1
Purpose	1
Scope and Methodology	1
Exit Conference	1
SUMMARY OF OBSERVATIONS	
Conclusion	2
Status of Prior Observations	2
A-133 Status	2
Summary of Current Observations	2

INTRODUCTION

Background

Contract Name: Employment Connection

Contract Number: 266-13

CFDA Number: 17.259

Contract Period: July 1, 2012 through June 30, 2013

Contract Amount: \$79,475

The contract provided Workforce Investment act (WIA) funds to Employment Connection (Agency) to provide services to out of school youth seeking benefits planning, vocational rehabilitation, testing for basic skills deficiency, leadership and interviewing skills, follow-up and, other employment support programs in the St. Louis Area.

Purpose

The purpose of the review was to determine the Agency's compliance with federal, state and local St. Louis Agency on Training and Employment (SLATE) requirements for the period July 1, 2012 through May 31, 2013, and make recommendations for improvements as considered necessary.

Scope and Methodology

Inquiries were made regarding the Agency's internal controls relating to the grants administered by SLATE. Evidence was tested supporting the reports the Agency submitted to SLATE and other procedures were performed as considered necessary. Fieldwork was completed on August 28, 2013.

Exit Conference

On September 12, 2013, the Agency was offered an opportunity for an exit conference but declined.

SUMMARY OF OBSERVATIONS

Conclusion

No evidence was found to suggest that the agency did not fully comply with federal, state and local SLATE requirements.

Status of Prior Observations

This is the first SLATE contract for this agency and as such there was no prior fiscal monitoring review conducted by the City.

A-133 Status

The Agency did expend more than \$500,000 in federal funds for its fiscal year ended December 31, 2012; and therefore was required to have an A-133 Audit.

The A-133 audit report was dated July 19, 2013 and rendered unqualified opinions on the general-purpose financial statements and major federal award programs. There were no instances of noncompliance material to the financial statements or significant deficiencies related to the major federal awards.

The Agency qualified as a low-risk auditee.

Summary of Current Observations

There were no current observations.